Estimated Annual Loss to Exchequer

3506. DR. ALLADI P. RAJKUMAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) what is the estimated annual loss to exchequer due to adulteration of petrol, diesel and lubricants in the country as per information available with the Ministry; and

(b) what efforts have been made to reduce the adulteration at various levels *i.e.*, from refinery to retail sale and how far these efforts have been successful in checking the adulteration?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) While, the Government is aware of attempts by unscrupulous elements to adulerate petroleum products, no estimate of annual loss to exchequer due to this is available.

The action taken by the Government/Public Sector Oil Marketing Companies (OMCs) in containing the menace of adulteration include the following:—

(i) Under the Control Orders issued by the Government to prevent fuel adulteration, under the Essential Commodities Act, 1955, State Governments are empowered to take action against those indulging in adulteration. Government have taken up this matter with all the State Governments/Union Territory Administrations to step up inspections/surprise checks to ensure that adulteration related activities are minimized and to exercise vigil/conduct inspections at various private firms, factories, processing units, etc., under their jurisdictions so as to identify the perpetrators of adulteration and taken stringent action against them within the available legal framework.

(ii) OMCs undertake regular and surprise inspections of Retail Outlets and also take action under Marketing Discipline Guidelines (MDG) and Dealership Agreements against those indulging in adulteration and malpractices. MDG provide for penalty of termination of dealership in cases of adulteration being established.

(iii) As advised by the Government, Oil Marketing Companies (OMCs) have created a separate wing to report to a Director other than Director (Marketing), which will oversee and monitor all activities

and operations to curb adulteration and specify norms and guidelines in this regard.

(iv) Keeping in view the misuse/diversion of SKO for adulteration, the import of SKO by private parties has been canalized through OMCs.

(v) OMCs have introduced new tamper proof tank-truck locking systems to prevent en route adulteration by transporters.

(vi) IT solutions like monitoring movement of tank trucks through Global Positioning System (GPS) and monitoring level of fuel tanks in Retail Outlets through retail automation are being introduced.

(vii) Branding of Retail Outlets and third party certification of Retail Outlets have been initiated by the OMCs.

(viii) A pilot project has been approved for strengthening the distribution network of PDS kerosene with a view to working towards ensuring that this product is made available to the targeted consumers and is not diverted for adulteration.

Measures to check adulteration are kept under continuous review of the Government.

Adulteration of Petrol and Diesel

3507. SHRI EKANATH K. THAKUR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are aware of the fact that the adulteration of petrol and diesel is a big ticket scam that involves an annual recurring loss of at least Rs. 10,000 crore to the exchequer;

(b) whether it is a fact that about 30 to 40 per cent of PDS kerosene is diverted for adulteration; and

(c) if so, the steps Government propose to take to check the adulteration of petrol and diesel?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) While Government is aware of attempts by unscrupulous elements to adulterate petroleum products, no estimate of annual loss to exchequer due to this is available. Further, there are possibilities of diversion of PDS kerosene for adulteration *inter alia* on